

Mondaine's Group Sustainability at a glance



**Hello to all our friends, partners, and sustainably minded peers:
We are CO2 neutral, for YOU and the PLANET – at no extra cost.**

My name is Andre Bernheim, I am Swiss, the president of the board and jointly with my brother Ronnie the 2nd generation co-owner of the Mondaine Group with our four brands: Mondaine, Luminox, M-Watch and Pierre Cardin. I am as well the CSO, Chief Sustainability Officer of the group, as our belief is that sustainability needs to be a top priority for any company.

We are a Swiss SME, and we have a history of continuous efforts in sustainable business practices over the past decades that have made us a leader in our industry. Our group and all our four brands are **comprehensively CO2 neutral** (scopes 1,2 and 3 of the Greenhouse Gas protocol GHG*).

I would like to give you a short summary of our sustainability achievements here, the details you will find in our extensive sustainability report. We have a proven track record in sustainability, starting in 1973, with great milestones ever since, very much ahead of our time.

Today, we are a leading watch company worldwide regarding sustainability, and I would like to share with you the reasons why.

Our credo: **WE CARE** means taking care socially, ecologically, and economically.

At the Mondaine Group, our sustainability path has followed for decades the 3R rule: Reduce, Recycle, Reuse. We make it our mission to apply the 3Rs in all areas of the supply chain; from the sourcing of raw materials, shipping components to our Swiss factory, the factory itself and headquarters, as well as business travelling, and shipments to our direct customers – and even beyond, with our watch recycling program to all consumers, even for 3rd party brands.

As there always are and always will be non-avoidable CO2 emissions in every part of our lives, we knew we would have to invest in offsets to become **comprehensively climate neutral**. We decided to compensate our emissions with reforestation projects, as this will remove already existing CO2 from the atmosphere. We achieved a comprehensive **CO2 neutrality for the first time in 2020**, as one of the first watch companies worldwide to do so. We are dedicated to ensuring we remain **CO2 neutral** in the years to come.

The base for our **CO2 neutrality** is an **ecological balance** sheet which was calculated by an external consulting firm and includes all areas of the Greenhouse Gas protocol (GHG), scopes 1, 2 and 3.

* **Scope 1:** own emissions of use of Gas for heating, cars, airplanes

Scope 2: electricity consumed within our company

Scope 3: materials+inbound transportation, as well as outbound transportation of watches, displays, etc to direct customers of ours

Below is a summary of our comprehensive achievements over the last five decades.



1973

- World's first analog solar watch manufactured by Mondaine.



Early 1990s

- Mondaine started the first upcycling of consumer used waste metal of which we produced new watch cases.



1993

- Joined oebu. oebu in english: Swiss Business Council for Sustainable Development, a group of ecology minded business leaders.



2015

- Introduced the use of ecological strap material such as linen, rPET felt and rPET nylon, cotton, cork, etc for various watch collections from the Mondaine Brand



2017

- Launch of the Mondaine Essence Collection, a series of watches made with sustainable and recycled materials. The case is made of wonder tree (a castor oil) compound, while the straps are made of wonder tree compound oil, or rPET, cotton, etc.



2019

- The Installation of the photovoltaic power plant at our Swiss factory, supplying up to 80% of our power consumption



2020

- Launch of the first Luminox #tide watches, in partnership with #tide Ocean Material. The case and strap made of 100% recycled ocean plastic.
- Our first year becoming comprehensively **CO2 neutral** in all in all 3 scopes of the GHG protocol.
- The compensation of the non-avoidable emissions we achieve thru reforestation with three organizations: Fairventures Global, NPO, in Borneo, Gula Gula in Indonesia and OAK in Switzerland. This is done to offset the equivalent amount of **CO2** from the air that is created by our company along its supply chain of all our emissions.



2021

- Continue to build on our **CO2 neutrality** by following the 3R rules and by offsetting the emissions created, including the ones from shipping of our products to our direct customers worldwide.
- Introduced a new eco-friendly giftbox for the Mondaine brand made of recycled cardboard and significantly reduced its volume and weight which reduced their CO2 emissions by more than 50% for production and shipping.
- Utilized recycled ABS material to introduce a new eco-friendly Luminox giftbox for all watches.

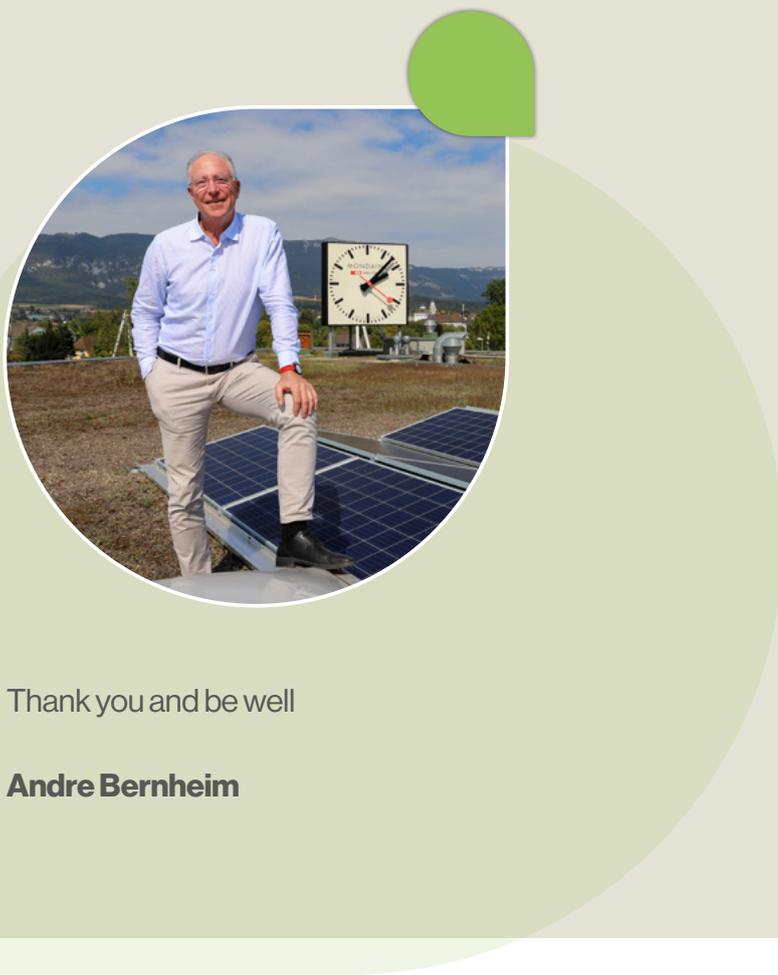
Our goals for 2022 and beyond are:

- To continue our path following the 3Rs; Reduce, Recycle and Reuse on all levels.
- Remain **CO2 neutral** on the comprehensive level of scopes 1,2 and 3 of the GHG protocol and the compensation of the non-avoidable emissions thru reforesting organizations.
- Support our partners in achieving their sustainability goals with an active support from our side.
- Replace cow leather entirely with vegan grape leather (and other sustainable materials), which we introduced in March of 2022 for the Mondaine brand with the goal to replace all our animal-based leather with vegan materials by the end of 2023
- Continue our path towards cradle-to-cradle, e.g., expand our watch recycling offer in other areas of the world
- evaluating our ability to even become climate positive in the long term 2024 and beyond and staying ahead of the watch industry in terms of sustainability.

I am certain that I was able to demonstrate that we at Mondaine Group are taking sustainability very seriously and have been for decades already. We will continue to push ourselves further, for the benefit of our earth, and for you, our customers.

Or as I like to say with a smile: **In terms of sustainability, only “no” watch (and no mobile phone) is a good watch. The 2nd best choice is a CO2 neutral watch from our Group. Good for you, and the planet.**

We appreciate any support you might want to give or share with us.



Thank you and be well

Andre Bernheim